



DEPARTMENT OF VETERANS AFFAIRS
DEPUTY ASSISTANT SECRETARY FOR ACQUISITION AND MATERIEL MANAGEMENT
WASHINGTON, DC 20420

IL 049-03-12
August 5, 2003

OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT INFORMATION LETTER

TO: Under Secretaries for Health, Benefits, and Memorial Affairs; All Assistant Secretaries and Deputy Assistant Secretaries; Chief Facilities Management Officer, Office of Facilities Management; Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Domiciliary, Outpatient Clinics, Medical and Regional Office Centers, and Regional Offices; Directors, Denver Distribution Center, Austin Automation Center, Records Management Center, VBA Benefits Delivery Centers, and the VA Health Administration Center; and the Executive Director and Chief Operating Officer, VA National Acquisition Center

ATTN: Head of the Contracting Activity
All VA Contracting Officers

SUBJECT: Advisory and Assistance (A&A) Services

1. This information letter (IL) replaces IL 049-03-3, dated December 12, 2002, Subj: Revised Advisory and Assistance Services Approval. The purpose of this IL is to provide additional information on processing information technology (IT) A&A requests and additional guidance on submitting all other A&A requests.

APPLICABLE FOR IT A&A SERVICES

2. On June 20, 2003, the Deputy Secretary signed a memorandum indicating he was reinstating the requirement that requests for IT A&A contracts must be approved by him prior to award. (Attachment 1.) As a result, the following process should be followed by all VA organizations for IT A&A requests:

a. All IT A&A requests should be submitted using the Electronic Document Management System (EDMS) and the IT tracking system. The Office of Information and Technology (OI&T) will create EDMS folders for any VHA facility requests that are not already in EDMS. For information on how to obtain access to the IT tracking system, responsible officials within each VA organization should contact VHA by sending an e-mail to cindy.harpine@mail.va.gov.

b. OI&T (005) will conduct technical reviews for consistency with the Department's enterprise architecture framework as well as telecommunications and cyber security requirements.

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c. Once OI&T review is complete, that office will recommend concurrence to the Office of Acquisition and Materiel Management (OA&MM) and make an EDMS assignment to OA&MM (049).

d. OA&MM will conduct the review required by the Deputy Secretary's office and prepare the approval memorandum to the Deputy Secretary for the signature of the Assistant Secretary for Management. The memorandum will include the EDMS and IT tracking numbers.

e. The Office of the Assistant Secretary for Management will forward the request to the Office of the Executive Secretariat (001B).

f. Upon review by the Deputy Secretary, the Office of the Executive Secretariat will scan the signed approval memorandum into EDMS and return the package to the submitting organization.

g. OA&MM will monitor EDMS and inform OI&T and VHA of approvals. At this point, O&IT will release the IT A&A from the IT tracking system, and VHA will add the approval memorandum to the IT tracking system to enable VA field activities access to the approval documentation.

Applicable for Non IT A&A Services

3. A&A requests not pertaining to IT should be submitted as follows:

a. All VHA non-IT A&A requests (including Central Office and field activities) must be submitted to the VHA Office of Clinical Logistics (10F) in accordance with VHA guidance. That office will coordinate the review process with OA&MM. VHA will return the Deputy Secretary's final decision to the submitting organization.

b. For other Central Office organizations and all other field activities, non-IT A&A requests should be submitted to OA&MM. The preferred method of submission is through an assignment in EDMS. If EDMS is not available, please submit via e-mail to 049Advisory.Contracts@mail.va.gov. OA&MM will prepare the request for approval memorandum to the Deputy Secretary for signature of the Assistant Secretary for Management and will return the Deputy Secretary's final decision to the submitting organization.

3.

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Applicable for All (IT and Non IT) A&A Services

4. In addition to the above changes, modifications have been made to the required justification statement for A&A requests. All A&A requests will include a total of seven areas. (Attachment 2.)

a. Paragraph 3. When providing the estimated total cost of a contract request, also include the hourly rate of key personnel and the estimated amount and/or percentage of overhead in the contract. If hourly rates were not used to compute the cost, you must explain how the cost was determined.

b. Paragraph 7. A new paragraph was added requesting a point of contact name and telephone number.

5. As stated in IL 049-03-3, dated December 12, 2002, the Deputy Secretary issued a memorandum dated October 25, 2002, (Attachment 3) to clarify his May 16, 2002, memorandum and provide additional direction on the approval process for A&A services. Paragraph 2 of the October memorandum further clarifies what constitutes an exception. Please refer to the attachment for further guidance.

6. Federal Acquisition Regulation (FAR) Subpart 2 provides the definition for A&A (Attachment 4.) FAR Subpart 37.2 provides policies and procedures for the use of this type of contract. VA Acquisition Regulation 837.2 provides additional guidance. These references must be used as a guide in your determination for use of A&A services contracts.

7. On a quarterly basis OA&MM will provide a report to the Deputy Secretary. The report will contain a listing of all A&A requests reviewed during the quarter, as well as those requests not submitted and the reason why they were not submitted.

4.

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8. Questions regarding this process should be directed to Ms. Bonnie Agnell, Acquisition Resources Service (049A5), at (202) 273-6059.

/s/C. Ford Heard
Acting Associate Deputy Assistant Secretary
for Acquisitions

Attachments: 4

1. June 20, 2003, Memorandum from the Deputy Secretary
2. Justification Format
3. October 25, 2002, Memorandum from the Deputy Secretary
4. A&A Definition

Distribution: RPC 7029

**Department of
Veterans Affairs**

Memorandum

Date: June 20, 2003

From: Deputy Secretary (001)

Subj: Information Technology Advisory & Assistance Contracts

To: Assistant Secretary for Information & Technology (005)
Assistant Secretary for Management (004)

1. Effective immediately, I am reinstating the requirement that information technology (IT) advisory and assistance contracts obtain my advance approval prior to award. This requirement includes all IT contracts from the Office of Information & Technology as well those originating in the administrations and staff offices.
2. The Office of Management should ensure that this information is communicated to all affected organizations.



Leo S. Mackay, Jr.

DEPARTMENT OF VETERANS AFFAIRS
Advisory and Assistance Contracts
Justification

The decision package must address each of the areas as follows:

1. Description of the problem or project, including the results or end product sought.
2. Reason(s) outside assistance is sought.
3. Estimated cost of the contract. Include the hourly rate of key contract personnel and the estimated amount and/or percentage of overhead in the contract. If hourly rates were not used, please indicate how the estimated cost was determined.
4. Copy of the proposed statement of work (attach as a separate document).
5. Methodology by which contractor performance will be monitored including how departures from the original contract specifications will be documented and approved (deviations over 10% require the approval of the Deputy Secretary).
6. Methodology by which the final product will be evaluated and by whom.
7. Point of contact (name and telephone number).

Prior to review by the Deputy Secretary, each decision package should be forwarded (through appropriate channels) to the Office of Management, Office of Acquisition and Materiel Management.

**Department of
Veterans Affairs**

Memorandum

Date: October 25, 2002

From: Deputy Secretary (001)

Subj: Consultant Contracts

To: Administration Heads, Assistant Secretaries, and Other Key Officials

1. On May 16, 2002, I issued a memorandum that directed that all proposed advisory and assistance contracts would require my approval prior to contract award. During the past months, a number of questions have arisen regarding both the approval process and the types of proposed contracts subject to my approval. The purpose of this memorandum is to provide additional clarification and direction regarding this process.

2. All consultant or advisory and assistance contracts, as defined by Federal Acquisition Regulation Subpart 37.2 and VA Acquisition Regulation Subpart 837.2, are subject to this process. The only exceptions to this are contracts that I have explicitly approved in one of the following fora: Strategic Management Council, Capital Investment Process or IT Investment Planning process (or as part of a program milestone review). Even if a concept or proposal is briefed in one of these fora, unless I have personally approved the use of an advisory and assistance contractor for a specific purpose at a specific funding level, the proposal must be forwarded for my review and approval. For approved proposals or contracts, any deviation, such as modifications or exercise of contract options, in excess of 10 percent of the amount originally proposed will also require my approval.

3. All proposed consultant contracts must include a justification and decision package. Attached is a list of areas that must be addressed in each package. If I have been briefed on the proposed contract in one of the fora mentioned above or privately, please make note of that in the justification package. The Office of Management will conduct an initial review of each package prior to my review. Questions on this issue should be addressed to Nora Egan, Chief of Staff at (202) 273-4808.



Leo S. Mackay, Jr.

Attachment

Advisory and Assistance Definition

Federal Acquisition Regulation (FAR), Section 2.101, Definitions

"Advisory and assistance services" means those services provided under contract by nongovernmental sources to support or improve: organizational policy development; decision-making; management and administration; program and/or project management and administration; or R&D activities. It can also mean the furnishing of professional advice or assistance rendered to improve the effectiveness of Federal management processes or procedures (including those of an engineering and technical nature). In rendering the foregoing services, outputs may take the form of information, advice, opinions, alternatives, analyses, evaluations, recommendations, training and the day-to-day aid of support personnel needed for the successful performance of ongoing Federal operations.

All advisory and assistance services are classified in one of the following definitional subdivisions:

(1) Management and professional support services, *i.e.*, contractual services that provide assistance, advice or training for the efficient and effective management and operation of organizations, activities (including management and support services for R&D activities), or systems. These services are normally closely related to the basic responsibilities and mission of the agency originating the requirement for the acquisition of services by contract. Included are efforts that support or contribute to improved organization of program management, logistics management, project monitoring and reporting, data collection, budgeting, accounting, performance auditing, and administrative technical support for conferences and training programs.

(2) Studies, analyses and evaluations, *i.e.*, contracted services that provide organized, analytical assessments/evaluations in support of policy development, decision-making, management, or administration. Included are studies in support of R&D activities. Also included are acquisitions of models, methodologies, and related software supporting studies, analyses or evaluations.

(3) Engineering and technical services, *i.e.*, contractual services used to support the program office during the acquisition cycle by providing such services as systems engineering and technical direction (see 9.505-1(b)) to ensure the effective operation and maintenance of a weapon system or major system as defined in OMB Circular No. A-109 or to provide direct support of a weapon system that is essential to research, development, production, operation or maintenance of the system

Additional guidance may be found at FAR subpart 37.2 and Veterans Affairs Acquisition Regulation (VAAR), Subpart 837.2.